

A BILL TO BE ENTITLED

AN ACT

relating to change order approval requirements for certain political subdivisions of the state.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

SECTION 1. Section 252.048(c), Local Government Code, is amended to read as follows:

(c) If a change order involves a decrease or an increase of \$50,000 [~~\$25,000~~] or less, the governing body may grant general authority to an administrative official of the municipality to approve the change orders.

SECTION 2. Section 271.060, Local Government Code, is amended by adding Subsection (c) to read as follows:

(c) A governing body may grant authority to an official or employee responsible for purchasing or for administering a contract to approve a change order that involves an increase or decrease of \$50,000 or less.

SECTION 3. Section 281.046, Local Government Code, is amended by adding Subsection (f) to read as follows:

(f) The board may grant authority to an official or employee responsible for purchasing or for administering a contract to

approve a change order that involves an increase or decrease of \$50,000 or less.

SECTION 4. Section 325.040, Local Government Code, is amended to read as follows:

Sec. 325.040. CHANGE ORDERS. After a construction contract is awarded, if the district determines that additional work is needed or if the character or type of work, facilities, or improvements should be changed, the board may authorize change orders to the contract on terms the board approves. A change made under this section may not increase or decrease the total cost of the contract by more than 25 percent. The board may grant authority to an official or employee responsible for purchasing or for administering a contract to approve a change order that involves an increase or decrease of \$50,000 or less.

SECTION 5. Section 351.137(c), Local Government Code, is amended to read as follows:

(c) After a construction contract is awarded, if the district determines that additional work is needed or if the character or type of work, facilities, or improvements should be changed, the board may authorize change orders to the contract on terms the board approves. The board may grant authority to an official or employee responsible for purchasing or for administering a contract to approve a change order that involves an increase or decrease of \$50,000 or less. A change made under this subsection may not

increase or decrease the total cost of the contract by more than 25 percent.

SECTION 6. Section 49.273(i), Water Code, is amended to read as follows:

(i) If changes in plans or specifications are necessary after the performance of the contract is begun, or if it is necessary to decrease or increase the quantity of the work to be performed or of the materials, equipment, or supplies to be furnished, the board may approve change orders making the changes. The board may grant authority to an official or employee responsible for purchasing or for administering a contract to approve a change order that involves an increase or decrease of \$50,000 or less. The aggregate of the change orders may not increase the original contract price by more than 10 percent. Additional change orders may be issued only as a result of unanticipated conditions encountered during construction, repair, or renovation or changes in regulatory criteria or to facilitate project coordination with other political entities.

SECTION 7. This Act takes effect immediately if it receives a vote of two-thirds of all the members elected to each house, as provided by Section 39, Article III, Texas Constitution. If this Act does not receive the vote necessary for immediate effect, this Act takes effect September 1, 2011.